



U.S. ENERGY SAVINGS CORP.
NATURAL GAS FIXED PRICE PROGRAM AGREEMENT

10232082

President's Plaza, 8600 West Bryn Mawr, Suite 440N Chicago, Illinois, 60631

1.888.674.7847 1.888.548.7690 www.energysavings.com cs@energysavings.com

The account holder noted below (the "Customer") hereby appoints Illinois Energy Savings Corp., doing business as U.S. Energy Savings Corp. ("USESC"), as Customer's sole and exclusive agent and supplier for natural gas commodity for the location(s) associated with the account number(s) listed below and on any attached schedule.

Customer: (a) has read the Agreement (which includes the attached terms and conditions); (b) understands and agrees to be bound by the Agreement; and (c) has received a copy of the Agreement and the attached notice of cancellation with necessary elements completed.

Customer is responsible for ensuring the accuracy of the information set out below.

Residential Customers

- ☐ Spouse
☒ Account Holder

For credit verification purposes:

Social Security Number of Customer

05291956

Date of birth of Customer

05/29/1956

If the signatory is Customer's spouse, the signatory confirms that she/he has the authority to authorize USESC to perform a credit check on Customer and that the signatory will use the natural gas supplied and be jointly and severally liable for payment under the Agreement.

Business Customers

- ☐ Sole Proprietorship

For credit verification purposes:

Business Tax ID Number (or SSN)

05291956

Date of birth of Owner

05/29/1956

- ☐ Partnership
☐ Corporation

Business Tax ID Number

05291956

DIANE HANSEN

Customer Name (account holder (if a business, record the proper legal name))

Contact Name (if different from above)

3460 N. WHIPPLE ST BLDG

CHICAGO

City

60618

Zip Code

Service Address (if different from above)

773 604-4311

Daytime Telephone #

Ext.

City

Zip Code

Evening Telephone #

Email address

☒ Peoples Gas Account No. ☐ North Shore Gas Account No.

Fax No.

☐ Nicor Gas Account No.

0-5000-1751-6727

OR

05291956

Local Gas Meter No.

P1636176

Customer will automatically be enrolled in USESC's Budget Billing plan (see para. 7). If Customer wishes to opt out of the Budget Billing plan, check here ☐.

Key Information Summary: Please read carefully

- Customer acknowledges that the independent contractor was wearing a USESC photo ID badge, identified himself/herself clearly as representing USESC and advised that the Agreement is with USESC, an independent natural gas supplier, not the Utility (Nicor Gas, Peoples Gas or North Shore Gas).
- If Customer breaches or terminates the Agreement, the cost is 10¢/therm times remaining usage (see para. 10). (For an average residential customer (1,000 therms/year), this would be \$100 for each remaining year of the Term).
- Customer chooses the initial period of the Agreement to be: ☐ 4 years or ☒ 5 years.

Customer agrees to purchase natural gas commodity supply at a fixed price of \$1.19/therm (the "Price"). In the case of Peoples Gas and North Shore Gas service territories, Customer also agrees to pay the Pass-through Charge (currently about 4.4¢/therm in Peoples Gas service territory and 7.2¢/therm in North Shore Gas service territory). In the case of Nicor Gas service territory, Customer also agrees to pay the Customer Select Charge. Customer understands that this Agreement does not cover delivery and other Utility charges.

Customer's Right to Cancel: You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right. For you to cancel your Agreement within three business days of signing, call or write to: Customer Service, USESC, President's Plaza, 8600 West Bryn Mawr, Suite 440N, Chicago, Illinois, 60631, tel. 1.888.674.7847, fax 1.888.548.7690.

Klaus Hansen

Signature

I have the authority to bind Customer.

Title of Signatory (for businesses)

DIANE HANSEN

Print Name

LARONAL BLUE

Independent Contractor Name

FPIC

EN-229452

Independent Contractor Signature

Source Code

05291956

12/08/2006

Month Day Year

760701

Independent Contractor Number

USESC.NI.17

OFFICIAL FILE
I.C.C. DOCKET NO. 07-0328

Exhibit No. 1
Witness
Date 9/12/07

Reporter

**Natural Gas Fixed Price Program Agreement
(Terms and Conditions, Notice of Appointment of
Agent, and Appointment of Agent)**

Agreement between: Customer and U.S. Energy Savings Corp. ("USESC")

Notice to: Customer's local gas utility (Northern Illinois Gas Company d/b/a Nicor Gas or Peoples Energy Corporation d/b/a Peoples Gas and North Shore Gas, as applicable (each, the "Utility"))

1. Agreement and Authority. If the Agreement is signed by a signatory who is not Customer, the signatory confirms that he/she has the authority to enter into on behalf of, and to bind, Customer to the Agreement. Customer has read, understands and agrees to the Agreement. Customer authorizes USESC to enter into, amend or terminate agreements with Utility and other third parties relating to the supply, volume load balancing, transportation, delivery, purchasing, and billing of natural gas on Customer's behalf as though Customer had entered into the agreements. Utility may rely upon anything done, or any document signed, by USESC relating to the supply, volume load balancing, transportation, delivery, purchasing and billing of natural gas as though Customer had performed the action or signed the document. Customer directs Utility to release all information related to Customer's present arrangements for the supply, delivery, and billing of natural gas to USESC. The Agreement is not valid for existing USESC customers.

2. Effectiveness. The Agreement is effective four business days after being signed by, or on behalf of, Customer and is conditioned upon the Independent Contractor submitting the Agreement to USESC and approval by Utility and USESC. USESC approval is at its sole and unfettered discretion. USESC may require satisfactory credit information (lack of credit information may result in the Agreement not being approved) and verification of information through recorded telephone call in order to approve the Agreement. If USESC does not commence supply within 120 days of Customer entering into the Agreement, Customer agrees that the Agreement is deemed terminated with no cost or penalty to either party.

3. Credit. Customer (and signatory, if signatory is noted as Customer's spouse) agrees to USESC obtaining a credit report and investigating Customer's (and, if applicable, signatory's) credit rating, credit history and Utility bill payment status and history. USESC will send a letter by regular mail to Customer's billing address if Customer is not approved by USESC for credit reasons.

4. Information. Customer shall notify USESC in writing of any change in Customer information within 30 days prior to the change occurring. Utility may also advise USESC of any such change. The Agreement applies to any address that replaces the service address (e.g., if Customer moves), if possible, at the sole discretion of USESC. Customer agrees that if a natural gas distributor other than Utility services the new address (the "Subsequent Utility"), the changes to the Agreement necessary to reflect the applicability of the Agreement to the Subsequent Utility are deemed incorporated herein. Customer agrees that the Agreement will constitute a notice of appointment of agency to the Subsequent Utility. Should the charges associated with the Subsequent Utility be greater than those applicable to Customer's original address, and should Customer object to paying the greater charges associated with the replacement address, USESC shall have the option to continue the Agreement under the terms and conditions applicable to the original address or terminate the Agreement without damages to either party.

Customer understands that failure to advise USESC of a change in information may result in termination fees being applied (see para. 10). Customer agrees that incorrect information may be rectified or deemed rectified. Customer authorizes USESC to receive and disclose account-related information to relevant third parties (e.g., suppliers, credit agencies, purchasers, and service providers). Customer consents to the recording of calls between Customer and USESC and to the maintenance of documents for such time as is appropriate or required.

5. Term. The term of the Agreement (the "Term") is 4 or 5 years, as selected on the Agreement (if no selection is made, the Term is deemed to be 5 years). The Term commences on the date of first gas supply under the Agreement (or, if Customer unilaterally cancels the Agreement before gas supply starts, USESC's anticipated date of first gas supply), which will be approximately 15-90 days after signing, and ends at the time of the estimated or actual meter reading performed at the end of the initial period of 4 or 5 years.

6. Price. Customer agrees to pay the Price set out on the Agreement for the gas supply portion of Utility bill during the Term. The Agreement does not cover delivery and other Utility charges (Customer remains obligated to pay Utility for Utility's charges). Customer understands that Utility's natural gas commodity price over the Term may or may not be greater than the Price. The Price does not include, and Customer also agrees to pay: in the case of Peoples Gas and North Shore Gas service territories, the Pass-through Charge ("PTC") and, in the case of Nicor Gas service territory, the Customer Select Charge ("CSC"); applicable taxes; and interest on late payments from the due date until paid, at the lesser of the maximum lawful rate of interest or 1.5%/month. The PTC and CSC may vary and are not in the control of USESC. The PTC is comprised of an aggregation balancing gas charge and a storage service cost recovery charge. The CSC recovers the costs associated with the daily balancing of gas supplies. Customer will be billed by Utility for all of the above-mentioned amounts, in accordance with Customer's billing arrangements with Utility. If Customer opts out of the budget billing plan ("Budget Billing"), Customer will be billed the Price and the PTC or CSC, as applicable, based on actual or estimated consumption during each billing period.

7. Budget Billing. Unless Customer opts out, Customer will be billed the Budget Billing amount, which shall represent the Price and PTC (if applicable) multiplied by Customer's historical annual natural gas usage in therms (or an estimate thereof), plus any outstanding balance owed to USESC, all divided by Customer's annual number of bills (usually twelve). The Budget Billing amount will be set out in a letter to Customer, will be re-evaluated periodically, and may be adjusted up or down depending on Customer's consumption. At the end of Customer's Budget Billing year, any underpayment or overpayment beyond a specified amount must be settled. Any overpayment or underpayment that is less than the specified amount will be added to or subtracted from the following period's calculation of the Budget Billing amount. Customer may elect to leave Budget Billing at any time. Should Customer leave Budget Billing, Customer and USESC agree to settle any overpayment or underpayment on the next available bill (allowing for reasonable processing time for USESC). If Customer fails to pay the Budget Billing amount when due, Customer may be removed from Budget Billing (temporarily or permanently, at USESC's discretion) and required to pay: (a) immediately, any amounts that, but for Budget Billing, would have been owed for actual consumption; and (b) on all future bills, the amounts set out in para. 6, in accordance with actual or estimated usage for each billing period.

8. Renewal. USESC MAY RENEW THE AGREEMENT FOR SUCCESSIVE TERMS UPON NOTICE TO CUSTOMER OF THE AMENDED TERMS AND CONDITIONS OF SUCH RENEWAL, INCLUDING CHANGES TO PRICE AND TERM. CUSTOMER HAS 30 DAYS FROM THE DATE THE NOTICE WAS SENT TO ELECT AGAINST RENEWAL, IN WRITING, AFTER WHICH TIME THE AGREEMENT WILL AUTOMATICALLY RENEW UNDER THE CONDITIONS SET OUT IN THE RENEWAL NOTICE. THE PARTIES AGREE THAT ANY PROVISIONS REQUIRED BY LAW TO BE CONTAINED HEREIN ARE DEEMED INCORPORATED HEREIN. AT THE TIME OF PRINTING, THE AUTOMATIC CONTRACT RENEWAL ACT PROVIDED FOR RENEWAL NOTICES TO CERTAIN CUSTOMERS TO BE SENT NO EARLIER THAN 60 DAYS BEFORE THE CANCELLATION DEADLINE, AND USESC WILL ABIDE BY THIS PROVISION OR SUCH OTHER PROVISION AS MAY BE IN FORCE AT THE TIME OF RENEWAL.

9. Changes. USESC may change the terms and conditions of the Agreement (other than Price and Term) during the Term upon notice to Customer, and Customer has 30 days from the date the notice was sent to elect against such changed terms and conditions. Customer cannot elect against a change to billing arrangements.

10. Termination. USESC enters into fixed term gas supply arrangements to meet the requirements of each user such as Customer. If Customer terminates or breaches the Agreement after it has come into effect (whether or not gas supply has commenced), including by failing to pay the amounts required, switching suppliers, reverting to supply from another source (such as Utility), or failing to notify USESC of a change in information, USESC may terminate the Agreement and charge Customer damages. Customer agrees to pay those damages as liquidated damages calculated as follows: 10 cents/therm times the remaining years, or part thereof, of the Term times Customer's annual gas usage in therms. For an average residential customer, the liquidated damages would be \$100 for each remaining year of Term. Customer agrees to these liquidated damages because Customer agrees that the actual damages incurred by USESC would be difficult to determine under the circumstances and the amount of these liquidated damages is reasonable under the circumstances and is not a penalty. Customer also agrees to pay to USESC any fees (including legal fees) associated with the collection of liquidated damages and authorizes and directs Utility to include the liquidated damages and any collection fees in Customer's utility bill as an amount payable to USESC. USESC may cease supply, temporarily or permanently, to Customer, upon Customer's breach (including failure to pay amounts owed on time). This is in addition to USESC's right to damages and shall not entitle Customer to damages.

11. Miscellaneous. The Agreement is the entire agreement between the parties. No handwritten alterations to these terms and conditions or the Price are valid or binding. Customer agrees that Customer did not rely on any oral representations other than such as are also reflected in writing here. To the extent that any part of the Agreement is deemed unenforceable, then that part shall be replaced by an enforceable provision as close as possible in meaning to the original, and all other parts of the Agreement shall remain in full force and effect. Customer agrees that USESC is not responsible for any damages that may be suffered by Customer except in the case of intentional wrongdoing by USESC itself. Customer indemnifies Utility from any claim in respect of obligations of USESC. USESC may, with or without notice to, or consent from, Customer, sell, assign, transfer or grant a security interest in all or any part of its interest

in the Agreement, or any amounts payable hereunder. The Agreement cannot be assigned by Customer, except with the express written permission of USESC. If USESC does not comply with its obligation to supply natural gas, USESC will offer to reimburse Customer for the additional cost, if any, incurred to acquire the natural gas that was required to be provided under the Agreement. The Agreement and any renewal or amendment shall be determined in accordance with the laws of the State of Illinois. If Customer has any questions or complaints, Customer may contact USESC at the numbers below or the Illinois Commerce Commission at 1.800.524.0795.

IN CASE OF SMELL OF GAS OR OTHER INDICATION THAT THERE MAY BE A GAS LEAK, CUSTOMER SHALL CALL THE LOCAL UTILITY: NICOR GAS (1.888.642.6748) OR PEOPLES GAS (1.866.556.6002) OR NORTH SHORE GAS (1.866.556.6005). IN NO EVENT SHALL USESC BE LIABLE FOR ANY ACTS OF INDEPENDENT CONTRACTORS OR SERVICE PROVIDERS. IN NO EVENT SHALL USESC BE LIABLE FOR ANY DAMAGE DIRECTLY OR INDIRECTLY CAUSED BY A GAS LEAK. NEITHER CUSTOMER NOR USESC SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING UNDER CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL THEORY. USESC SHALL NOT BE LIABLE IN CASE OF A FORCE MAJEURE EVENT OR 'ACT OF GOD'. IF USESC'S DIRECT OR INDIRECT SUPPLIERS DECLARE A FORCE MAJEURE EVENT OR 'ACT OF GOD' THAT AFFECTS USESC'S ABILITY TO SUPPLY NATURAL GAS AT THE PRICE, CUSTOMER AGREES TO PAY FOR NATURAL GAS SUPPLIED AT THE MARKET PRICE AVAILABLE TO USESC FOR THE DURATION OF THE DECLARATION OF THE FORCE MAJEURE EVENT OR 'ACT OF GOD'.



U.S. Energy Savings Corp. by its Executive Chair

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E-mail: cs@energysavings.com OR

Mail: President's Plaza, 8600 West Bryn Mawr,
Suite 440N Chicago, Illinois 60631